

By: Senator(s) Moffatt, Robertson, Lee  
(47th)

To: Local and Private;  
Finance

SENATE BILL NO. 3212

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF  
2 PASCAGOULA, MISSISSIPPI, TO LEVY A TAX UPON THE GROSS PROCEEDS  
3 DERIVED FROM HOTEL, MOTEL AND BED AND BREAKFAST ROOM RENTALS IN  
4 THE CITY; TO PROVIDE FOR A PETITION ELECTION ON THE QUESTION OF  
5 IMPOSING SUCH A TAX; TO PROVIDE THAT THE TAX SHALL BE COLLECTED BY  
6 THE STATE TAX COMMISSION AND PAID TO THE CITY OF PASCAGOULA; TO  
7 PROVIDE THAT THE PROCEEDS FROM THE TAX SHALL BE USED FOR THE  
8 PURPOSE OF PROMOTING TOURISM, ECONOMIC DEVELOPMENT AND RECREATION;  
9 AND FOR RELATED PURPOSES.

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

11 **SECTION 1.** As used in this act, the following terms shall  
12 have meanings ascribed in this section unless otherwise clearly  
13 indicated by the context in which they are used:

14 (a) "Governing authorities" means the governing  
15 authorities of the City of Pascagoula, Mississippi.

16 (b) "Hotel," "motel" or "bed and breakfast" means any  
17 establishment engaged in the business of furnishing or providing  
18 rooms intended or designed for dwelling, lodging or sleeping  
19 purposes to transient guests and which are known in the trade as  
20 such. The terms "hotel," "motel" and "bed and breakfast" do not  
21 include any hospital, convalescent or nursing home or sanitarium,  
22 or any hotel-like facility operated by or in connection with a  
23 hospital or medical clinic providing rooms exclusively for  
24 patients and their families.

25 **SECTION 2.** (1) For the purpose of providing funds to  
26 promote tourism, economic development and recreation, the  
27 governing authorities, in their discretion, are authorized to levy  
28 and collect from every person, firm or corporation operating a  
29 hotel, motel or bed and breakfast in the city a tax, which shall  
30 be in addition to all other taxes and assessments imposed, which

31 shall not exceed three percent (3%) of the gross proceeds derived  
32 from room rentals of all such hotels, motels or bed and breakfasts  
33 in the city.

34 (2) Persons, firms or corporations liable for the tax  
35 imposed under subsection (1) of this section shall add the amount  
36 of the tax to the sales price and shall collect, insofar as is  
37 practicable, the amount of the tax due by him from the person  
38 receiving the services or product at the time of payment therefor.

39 (3) Such tax shall be collected by and paid to the State Tax  
40 Commission on a form prescribed by the State Tax Commission in the  
41 same manner that state sales taxes are computed, collected and  
42 paid; and the full enforcement provisions and all other provisions  
43 of Chapter 65, Title 27, Mississippi Code of 1972, shall apply as  
44 necessary to the implementation and administration of this act.

45 (4) The proceeds of such tax shall be paid to the governing  
46 authorities on or before the fifteenth day of the month in which  
47 collected.

48 (5) The proceeds of such tax shall not be considered by the  
49 City of Pascagoula as general fund revenues but shall be dedicated  
50 to and expended solely for the purposes specified in this section.

51 **SECTION 3.** Before the tax authorized by this act may be  
52 imposed, the governing authorities shall adopt a resolution  
53 declaring their intention to levy the tax, setting forth the  
54 amount of such tax and establishing the date on which the tax  
55 initially shall be levied and collected. Notice of the proposed  
56 tax shall be published once each week for at least three (3)  
57 consecutive weeks in a newspaper having a general circulation in  
58 the City of Pascagoula. The first publication of the notice shall  
59 be made not less than twenty-one (21) days before the date fixed  
60 in the resolution on which the tax initially is to be levied and  
61 collected, and the last publication of the notice shall be made  
62 not more than seven (7) days before such date. If, within the  
63 time of giving notice, twenty percent (20%) or fifteen hundred

64 (1500), whichever is less, of the qualified electors of the City  
65 of Pascagoula, file a written petition against the levy of such  
66 tax, then the tax shall not be levied unless authorized by a  
67 majority of the qualified electors of the City of Pascagoula,  
68 voting at an election to be called and held for that purpose. At  
69 least thirty (30) days before the effective date of the tax, the  
70 governing authorities shall furnish to the State Tax Commission a  
71 certified copy of the resolution evidencing such tax.

72 **SECTION 4.** Accounting for receipts and expenditures of the  
73 funds described in this act shall be made separately from the  
74 accounting of receipts and expenditures of the general fund and  
75 any other funds of the City of Pascagoula. The records reflecting  
76 the receipts and expenditures of the funds prescribed in this act  
77 shall be audited annually by an independent certified public  
78 accountant, and the accountant shall make a written report of his  
79 audit to the governing authorities. The audit shall be made and  
80 completed as soon as practicable after the close of the fiscal  
81 year, and expenses of such audit shall be paid from the funds  
82 derived pursuant to this act.

83 **SECTION 5.** The governing authorities shall submit this act,  
84 immediately upon approval by the Governor, or upon approval by the  
85 Legislature subsequent to a veto, to the Attorney General of the  
86 United States or to the United States District Court for the  
87 District of Columbia in accordance with the provisions of the  
88 Voting Rights Act of 1965, as amended and extended.

89 **SECTION 6.** This act shall take effect and be in force from  
90 and after the date it is effectuated under Section 5 of the Voting  
91 Rights Act of 1965, as amended and extended.